

## Alcohol and Tobacco Tax and Trade Bureau, Treasury

## § 24.294

Wine Premises Operations for the reporting period with an explanatory notation. All provisions of this part applicable to wine in bond at bonded wine premises and to removals from bond are applicable to returned wine.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1380, as amended (26 U.S.C. 5362))

(Approved by the Office of Management and Budget under control numbers 1512-0216 and 1512-0298)

[T.D. ATF-299, 55 FR 24989, June 19, 1990, as amended by T.D. ATF-338, 58 FR 19065, Apr. 12, 1993; T.D. TTB-8, 69 FR 3830, Jan. 27, 2004]

### § 24.293 Wine for Government use.

(a) *General.* Wine may be removed from bonded wine premises, free of tax, for use of the Government of the United States, or any agency thereof, upon receipt of a proper Government order signed by the officer in charge of the department, institution, station, or similar establishment, to which the wine is to be shipped or other officer duly authorized to sign the order. The governmental order will show the kind, quantity and alcohol content of the wine desired; and the purpose for which the wine is to be used. Wine may also be removed for use by the governments of the several states and the District of Columbia, or of any subdivision thereof, or by any agency of the governments, free of tax, from bonded wine premises for analysis, testing, research or experimentation.

(b) *Bill of lading and report of shipment.* Where wine is shipped by common carrier, the proprietor shall retain a copy of the bill of lading, covering the shipment, with the TTB F 5120.17, Report of Bonded Wine Premises Operations for the reporting period in which the shipment is made. The bill of lading will show the name and address of the agency to which the wine is shipped, identifying marks on containers or cases, and alcohol content of the wine. The governmental order, or a copy of the order, will be filed at the

bonded wine premises available for inspection by appropriate TTB officers.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1380, as amended, 1381, as amended (26 U.S.C. 5362, 5367, 7510))

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### § 24.294 Destruction of wine.

(a) *General.* Wine on bonded wine premises may be destroyed on or off wine premises by the proprietor without payment of tax. A proprietor who wants to destroy wine on or off wine premises must file with the appropriate TTB officer an application stating the kind, alcohol content, and approximate volume of wine to be destroyed, where the wine is to be destroyed, and the reason for destruction. Wine to be destroyed must be inspected, and the destruction supervised, by an appropriate TTB officer unless the appropriate TTB officer authorizes the proprietor to destroy the wine without inspection and supervision. The wine must not be destroyed until the proprietor has received authority from the appropriate TTB officer.

(b) *Record of destruction.* The proprietor shall maintain a record of the volume destroyed and include the quantity on the TTB F 5120.17, Report of Bonded Wine Premises Operations. If part of the volume of the material destroyed is not wine, the volume destroyed will be reported on the basis of actual wine content of the material, excluding any dilution by water or other substance.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1381, as amended (26 U.S.C. 5367, 5370))

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[T.D. ATF-299, 55 FR 24989, June 19, 1990, as amended by T.D. ATF-338, 58 FR 19065, Apr. 12, 1993; T.D. ATF-409, 64 FR 13686, Mar. 22, 1999]

RETURN OF WINE TO BOND

**§ 24.295 Return of wine to bond.**

(a) *General.* Wine, domestic or imported, which has been taxpaid and removed from bonded wine premises, may be received by the proprietor of a bonded wine premises for return to bond. The proprietor may, when such taxpaid wine is returned to bond, make a claim for refund or credit, without interest. However, tax will not be refunded or credited for any wine for which a claim has been or will be made under 27 CFR part 70, subpart G. If the tax has been determined but not paid, the person liable for the tax may, when such wine is returned to bond, be relieved of the liability. Claims for refund or credit, or relief from tax paid or determined on wine returned to bond, are filed in accordance with § 24.66.

(b) *Receipt.* The quantity of taxpaid wine returned to bond is determined upon receipt on bonded wine premises. The quantity determined will be entered on the TTB F 5120.17, Report of Bonded Wine Premises Operations for the reporting period during which the wine is returned.

(c) *Records.* The proprietor shall maintain records covering each lot of taxpaid wine returned to bond in accordance with § 24.312.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1332, as amended, 1382, as amended (26 U.S.C. 5044, 5371))

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TAXPAID WINE OPERATIONS

**§ 24.296 Taxpaid wine operations.**

(a) *General.* The proprietor may conduct taxpaid wine operations authorized by § 24.102 in an area designated as a taxpaid wine premises at a bonded wine premises or at a taxpaid wine bottling house. Taxpaid foreign wine may be received on the taxpaid wine premises for reconditioning and removal

without retaxpayment or for destruction without credit of tax. Any taxpaid wine operations will be separate from all nontaxpaid wine operations and taxpaid wine will be clearly identified as provided in § 24.135. The appropriate TTB officer may require any additional segregation and identification of taxpaid wine operations as deemed necessary to protect the revenue.

(b) *Treatment and blending.* Taxpaid wine may be treated with sulfur dioxide compounds, refrigeration or pasteurization and may also be preserved, filtered or clarified by the use of methods or materials which will not change the basic character of the wine. Water may not be added to taxpaid wine. The proprietor who desires to treat wine in any manner (other than by simple filtration or the use of sulfur compounds, refrigeration or pasteurization) shall first file with the appropriate TTB officer an application giving the details of the proposed treatment. The proprietor may not use the treatment prior to approval. The proprietor may incur civil or criminal liability for using an unauthorized treatment of untaxpaid wine. Wine of the same kind (class and type), national origin and tax class may only be mixed to facilitate handling at a taxpaid wine bottling house; otherwise, the blending of taxpaid wine on such premises is prohibited. Taxpaid wine of different national origins, but of the same kind and tax class, may only be blended on taxpaid wine premises. (Sec. 201, Pub. L. 85-859, 72 Stat. 1407 (26 U.S.C. 5352, 5661))

[T.D. ATF-299, 55 FR 24989, June 19, 1990, as amended by T.D. ATF-409, 64 FR 13683, Mar. 22, 1999]

**Subpart O—Records and Reports**

**§ 24.300 General.**

(a) *Records and reports.* A proprietor who conducts wine operations shall maintain wine transaction records and submit reports as required by this part. Transaction records may be recorded in wine gallons or in liters. However, required reports will show wine volumes in wine gallons. The equivalent wine gallons of wine bottled or packed and labeled according to metric measure will be determined using the following conversion factors: